

100TH CONGRESS
2D SESSION

S. 1883

IN THE HOUSE OF REPRESENTATIVES

MAY 17, 1988

Referred to the Committee on the Judiciary

AN ACT

To amend the Act entitled "An Act to provide for the registration and protection of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes".

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Trademark Law Revision
4 Act of 1988".

5 SEC. 2. For purposes of this Act, the Act entitled "An
6 Act to provide for the registration and protection of trade-
7 marks used in commerce, to carry out the provisions of cer-
8 tain international conventions, and for other purposes" shall
9 be referred to as the "Trademark Act of 1946".

1 SEC. 3. Section 1 of the Trademark Act of 1946 (15
2 U.S.C. 1051) is amended by—

3 (1) inserting a section heading before section 1 to
4 read as follows:

5 “REQUIREMENTS FOR APPLYING TO REGISTER
6 TRADEMARKS ON THE PRINCIPAL REGISTER”;

7 (2) striking out “may register his” in the matter
8 before subsection (a) and inserting in lieu thereof “may
9 apply to register his”;

10 (3) redesignating paragraphs (1), (2), and (3) of
11 subsection (a) as subparagraphs (A), (B), and (C),
12 respectively;

13 (4) redesignating subsections (a), (b), and (c) as
14 paragraphs (1), (2), and (3), respectively;

15 (5) inserting “(a)” after “SECTION 1.”;

16 (6) striking out “applied to” in subsection
17 (a)(1)(A), as redesignated herein, and inserting in lieu
18 thereof “used on or in connection with”;

19 (7) striking out “actually” in subsection (a)(1)(C),
20 as redesignated herein;

21 (8) striking out “filing” in subsection (a)(2), as
22 redesignated herein, and inserting in lieu thereof
23 “prescribed”; and

24 (9) adding at the end thereof the following:

25 “(b) A person who has a bona fide intention to use a
26 trademark in commerce, such intention to reflect the good

1 faith circumstances relating to the intended use, may apply to
2 register the trademark under this Act on the principal regis-
3 ter hereby established:

4 “(1) By filing in the Patent and Trademark
5 Office—

6 “(A) a written application, in such form as
7 may be prescribed by the Commissioner, verified
8 by the applicant, or by a member of the firm or
9 an officer of the corporation or association apply-
10 ing, specifying applicant’s domicile and citizen-
11 ship, applicant’s bona fide intention to use the
12 mark in commerce, the goods in connection with
13 which the applicant has a bona fide intention to
14 use the mark and the mode or manner in which
15 the mark is intended to be used in connection
16 with such goods, and including a statement to the
17 effect that the person making the verification be-
18 lieves himself, or the firm, corporation, or associa-
19 tion in whose behalf he makes the verification, is
20 entitled to use the mark in commerce, and that no
21 other person, firm, corporation, or association, to
22 the best of his knowledge and belief, has the right
23 to use such mark in commerce either in the iden-
24 tical form thereof or in such near resemblance
25 thereto as to be likely, when used on or in con-

1 nection with the goods of such other person, to
2 cause confusion, or to cause mistake, or to de-
3 ceive. However, with the exception of applications
4 filed pursuant to section 44 of this Act, no mark
5 shall be registered until the applicant has met the
6 requirements of section 13(b)(2) hereof; and

7 “(B) a drawing of the mark.

8 “(2) By paying in the Patent and Trademark
9 Office the prescribed fee.

10 “(3) By complying with such rules or regulations,
11 not inconsistent with law, as may be prescribed by the
12 Commissioner.

13 “(c) At any time during examination of an application
14 filed under subsection (b), an applicant who has made use of
15 the mark in commerce may claim the benefits thereof for pur-
16 poses of this Act, by amending his application to bring it into
17 conformity with the requirements of subsection (a).”.

18 SEC. 4. Section 2 of the Trademark Act of 1946 (15
19 U.S.C. 1052) is amended—

20 (1) by amending subsection (d) to read as follows:

21 “(d) Consists of or comprises a mark which so resembles
22 a mark registered in the Patent and Trademark Office, or a
23 mark or trade name previously used in the United States by
24 another and not abandoned, as to be likely, when applied to
25 the goods of the applicant, to cause confusion, or to cause

1 mistake, or to deceive: *Provided*, That when the Commis-
2 sioner determines that confusion, mistake, or deception is not
3 likely to result from the continued use by more than one
4 person of the same or similar marks under conditions and
5 limitations as to the mode or place of use of the marks or the
6 goods in connection with which such marks are used, concu-
7 rent registrations may be issued to such persons when they
8 have become entitled to use such marks as a result of their
9 concurrent lawful use in commerce prior to (1) the earliest of
10 the filing dates of the applications pending or of any registra-
11 tion issued under this Act; or (2) July 5, 1947, in the case of
12 registrations previously issued under the Act of March 3,
13 1881, or February 20, 1905, and continuing in full force and
14 effect on that date; or (3) July 5, 1947, in the case of applica-
15 tions filed under the Act of February 20, 1905, and regis-
16 tered after July 5, 1947. Use prior to the filing date of any
17 pending application or a registration shall not be required
18 when the owner of such application or registration consents
19 to the grant of a concurrent registration to the applicant.
20 Concurrent registrations may also be issued by the Commis-
21 sioner when a court of competent jurisdiction has finally de-
22 termined that more than one person is entitled to use the
23 same or similar marks in commerce. In issuing concurrent
24 registrations, the Commissioner shall prescribe conditions
25 and limitations as to the mode or place of use of the mark or

1 the goods on or in connection with which such mark is regis-
2 tered to the respective persons;”;

3 (2) in subsection (e) by striking out “applied to”
4 each place it appears and inserting in lieu thereof
5 “used on or in connection with”; and

6 (3) in subsection (f) by—

7 (A) striking out “applied to” and inserting in
8 lieu thereof “used on or in connection with”; and

9 (B) striking out “five years” through the end
10 of the subsection and inserting in lieu thereof
11 “five years next preceding an offer of proof by the
12 applicant.”.

13 SEC. 5. Section 3 of the Trademark Act of 1946 (15
14 U.S.C. 1053) is amended by—

15 (1) striking out “used in commerce” in the first
16 sentence;

17 (2) striking out “, except when” through “mark is
18 used” in the first sentence; and

19 (3) striking out the second sentence.

20 SEC. 6. Section 4 of the Trademark Act of 1946 (15
21 U.S.C. 1054) is amended by—

22 (1) striking out “origin used in commerce,” and
23 inserting in lieu thereof “origin,”;

1 (2) striking out “except when” in the first sen-
2 tence and inserting in lieu thereof “except in the case
3 of certification marks when”; and

4 (3) striking out the second sentence.

5 SEC. 7. Section 5 of the Trademark Act of 1946 (15
6 U.S.C. 1055) is amended by adding at the end thereof the
7 following: “First use of a mark by a person, which use is
8 controlled by the registrant or applicant for registration of the
9 mark in respect to the nature and quality of the goods or
10 services, shall inure to the benefit of the registrant or
11 applicant.”.

12 SEC. 8. Section 6(b) of the Trademark Act of 1946 (15
13 U.S.C. 1056(b)) is amended by striking out “(d)” and insert-
14 ing in lieu thereof “(e)”.

15 SEC. 9. Section 7 of the Trademark Act of 1946 (15
16 U.S.C. 1057) is amended by—

17 (1) amending subsection (b) to read as follows:

18 “(b) A certificate of registration of a mark upon the
19 principal register provided by this Act shall be prima facie
20 evidence of the validity of the registered mark and of the
21 registration thereof, of the registrant’s ownership of the
22 mark, and of the registrant’s exclusive right to use the regis-
23 tered mark in commerce on or in connection with the goods
24 or services specified in the certificate, subject to any condi-
25 tions or limitations stated therein.”;

1 (2) redesignating subsections (c), (d), (e), (f),
2 and (g) as subsections (d), (e), (f), (g), and (h),
3 respectively;

4 (3) inserting between subsection (b) and subsection
5 (d), as redesignated herein, the following:

6 “(c) Contingent on the registration of a mark on the
7 principal register established herein, the filing of the applica-
8 tion to register such mark shall constitute constructive use of
9 the mark, conferring a right of priority, nationwide in effect,
10 on or in connection with the goods or services specified in the
11 registration against any other person except for a person
12 whose mark has not been abandoned and, who prior to such
13 filing—

14 “(1) has used the mark;

15 “(2) has filed an application to register the mark
16 on the principal register and that application is pending
17 or has resulted in registration of the mark on the prin-
18 cipal register; or

19 “(3) has filed a foreign application to register the
20 mark on the basis of which he has acquired a right of
21 priority by the timely filing under section 44(d) of an
22 application to register the mark on the principal regis-
23 ter and that application is pending or has resulted in
24 registration of the mark on the principal register.”;

1 (4) amending subsection (d), as redesignated
2 herein, by striking out “fee herein provided” and in-
3 serting in lieu thereof “prescribed fee”;

4 (5) amending subsection (f), as redesignated
5 herein, by striking out “fee required by law” and in-
6 serting in lieu thereof “prescribed fee”; and

7 (6) amending subsection (h), as redesignated
8 herein, by striking out “required fee” and inserting in
9 lieu thereof “prescribed fee”.

10 SEC. 10. Section 8(a) of the Trademark Act of 1946 (15
11 U.S.C. 1058a) is amended by—

12 (1) striking out “twenty” and inserting in lieu
13 thereof “ten”; and

14 (2) striking out “showing that said mark is in use
15 in commerce or showing that its” and inserting in lieu
16 thereof “setting forth those goods or services recited in
17 the registration on or in connection with which the
18 mark is in use in commerce and having attached there-
19 to a specimen or facsimile showing current use of the
20 mark, or showing that any”.

21 SEC. 11. Section 9(a) of the Trademark Act of 1946 (15
22 U.S.C. 1059(a)) is amended by striking out “twenty” and
23 inserting in lieu thereof “ten”.

24 SEC. 12. Section 10 of the Trademark Act of 1946 (15
25 U.S.C. 1060) is amended to read as follows:

1 “ASSIGNMENT AND GRANT OF SECURITY INTEREST

2 “SEC. 10. (a) A registered mark or a mark for which
3 application to register has been filed shall be assignable with
4 the goodwill of the business in which the mark is used, or
5 with that part of the goodwill of the business connected with
6 the use of and symbolized by the mark. However, no applica-
7 tion to register a mark under section 1(b) shall be assignable
8 prior to the filing of the verified statement of use under sec-
9 tion 13(b)(2), except to a successor to the business of the
10 applicant, or portion thereof, to which the mark pertains.

11 “(b)(1) A security interest in a registered mark, or a
12 mark for which an application for registration has been filed
13 under section 1(b) or subsection (d) or (e) of section 44, may
14 be obtained and will be superior to any interest subsequently
15 granted to a third party, provided—

16 “(A) the party granted the security interest ob-
17 tains a security interest in the goodwill of the business
18 in which the mark is used, or with that part of the
19 goodwill of the business connected with the use of and
20 symbolized by the mark; and

21 “(B) notice of such interest is filed in the Patent
22 and Trademark Office—

23 “(i) within ten days after the interest is
24 granted if the interest pertains to a registered
25 mark or if it pertains to a mark which is the sub-

1 ject of an application for registration under section
2 1(b) or subsection (d) or (e) of section 44, or

3 “(ii) within four months after the mark is
4 registered if the interest pertains to a mark which
5 is the subject of an application under section 1(a)
6 or 23 and the person holding the interest has a
7 valid, perfected interest pursuant to State law at
8 the time the mark is registered.

9 “(2) A party granted a security interest in a registered
10 mark, or a mark for which an application for registration has
11 been filed under section 1(b) or subsection (d) or (e) of section
12 44, may, after default by the party granting the security in-
13 terest, require the debtor to assign the mark to—

14 “(A) a transferee who is also being assigned that
15 part of the goodwill of the business connected with the
16 use of and symbolized by the mark; or

17 “(B) the party holding the security interest, even
18 though such party does not presently engage in the
19 business to which the mark relates, provided that the
20 secured party either subsequently engages in the busi-
21 ness to which the mark relates or holds the mark only
22 for the purpose of subsequently transferring the mark
23 along with the goodwill associated with the mark and
24 that such subsequent transfer occurs prior to dissipa-
25 tion of the goodwill.

1 “(3) A security interest in a mark obtained pursuant to
2 this section will extend to the consideration received upon the
3 sale, exchange, collection or other disposition of the mark for
4 ten days after receipt of the consideration by the transferor
5 and will then lapse unless a financing statement or other doc-
6 ument is filed as required by appropriate State law.

7 “(c) In any assignment of or grant of a security interest
8 in a mark it shall not be necessary to include the goodwill of
9 the business connected with the use of and symbolized by any
10 other mark used in the business or by the name or style
11 under which the business is conducted.

12 “(d) Assignments and grants of security interest shall be
13 by instruments in writing duly executed. Acknowledgment
14 shall be prima facie evidence of the execution of an assign-
15 ment or a grant of a security interest and when recorded in
16 the Patent and Trademark Office the record shall be prima
17 facie evidence of execution. An assignment of or grant of a
18 security interest in a mark shall be void as against any subse-
19 quent purchaser or other entity being granted an interest for
20 a valuable consideration without notice, unless recorded in
21 the Patent and Trademark Office—

22 “(1) within three months after the date thereof or
23 prior to such subsequent purchase in the case of an
24 assignment; or

1 “(2) pursuant to the provisions of subsection
2 (b)(1)(B) or prior to the subsequent filing of a conflict-
3 ing interest, whichever is later, in the case of the grant
4 of any security interest.

5 “(e) A separate record of documents submitted for re-
6 cording under this section shall be maintained in the Patent
7 and Trademark Office. Such record shall include any release,
8 cancellation, discharge, or satisfaction relating to any con-
9 veyance or other instrument affecting title to or any interest
10 in a registered mark or a mark for which application to regis-
11 ter has been filed.

12 “(f) An assignee or holder of a security interest not
13 domiciled in the United States shall be subject to and comply
14 with the provisions of section 1(d) of this Act.”.

15 SEC. 13. Section 12(a) of the Trademark Act of 1946
16 (15 U.S.C. 1062a) is amended by—

17 (1) striking out “fee herein provided” and insert-
18 ing in lieu thereof “prescribed fee”; and

19 (2) striking out “to registration, the” and insert-
20 ing in lieu thereof “to registration, or would be entitled
21 to registration upon the acceptance of the statement of
22 use prescribed in section 13(b)(2) of this Act, the”.

23 SEC. 14. Section 13 of the Trademark Act of 1946 (15
24 U.S.C. 1063) is amended by—

25 (1) inserting “(a)” before “Any person”;

1 (2) striking out “required fee” and inserting in
2 lieu thereof “prescribed fee”; and

3 (3) adding at the end thereof the following:

4 “(b) Unless registration is successfully opposed—

5 “(1) a mark entitled to registration on the princi-
6 pal register based on an application filed under section
7 1(a) or pursuant to section 44, shall be registered in
8 the Patent and Trademark Office, and a certificate of
9 registration issued, and notice of the registration shall
10 be published in the Official Gazette of the Patent and
11 Trademark Office; or

12 “(2) a notice of allowance shall be issued to the
13 applicant if he applied for registration under section
14 1(b). Within six months following the date of the notice
15 of allowance, the applicant must file in the Patent and
16 Trademark Office, together with such number of speci-
17 mens or facsimiles of the mark as used in commerce as
18 may be required by the Commissioner and payment of
19 the prescribed fee, a verified statement that the mark
20 is in use in commerce and specifying the date of appli-
21 cant’s first use of the mark and the date of applicant’s
22 first use of the mark in commerce, those goods or serv-
23 ices specified in the notice of allowance on or in con-
24 nection with which the mark is used in commerce and
25 the mode or manner in which the mark is used in con-

1 nection with such goods or services. Subject to exami-
2 nation and acceptance of the statement of use, the
3 mark shall be registered in the Patent and Trademark
4 Office, and a certificate of registration issued, for those
5 goods or services recited in the statement of use for
6 which the mark is entitled to registration and notice of
7 registration shall be published in the Official Gazette of
8 the Patent and Trademark Office. The notice shall
9 specify the goods or services for which the mark is
10 registered.

11 “(A) The time for filing the statement of use shall
12 be extended for an additional six-month period upon
13 written request of the applicant prior to expiration of
14 the six-month period. Such request shall be accompa-
15 nied by a verified statement that the applicant has a
16 continued bona fide intention to use the mark in com-
17 merce and specifying those goods or services identified
18 in the notice of allowance on or in connection with
19 which the applicant has a continued bona fide intention
20 to use the mark in commerce. Up to six further exten-
21 sions of six months each shall be obtained when re-
22 quested prior to the expiration of the extended period
23 and accompanied by a verified statement that the ap-
24 plicant has a continued bona fide intention to use the
25 mark in commerce and specifying those goods or serv-

1 ices identified in the most recent extension for which
2 the applicant has a continued bona fide intention to use
3 the mark in commerce. Each request for an extension
4 shall be accompanied by payment of the prescribed fee.

5 “(B) The Commissioner shall notify any applicant
6 who files a statement of use of the acceptance or refus-
7 al thereof and, if a refusal, the reasons therefor. An
8 applicant may amend his statement of use.

9 “(C) The failure to timely file a verified
10 statement of use shall result in abandonment of the
11 application.”.

12 SEC. 15. Section 14(c) of the Trademark Act of 1946
13 (15 U.S.C. 1064(c)) is amended to read as follows:

14 “(c) at any time if the registered mark becomes
15 the generic name for the goods or services, or a por-
16 tion thereof, for which it is registered, or has been
17 abandoned, or its registration was obtained fraudulently
18 or contrary to the provisions of section 4 or of subsec-
19 tion (a), (b), or (c) of section 2 for a registration here-
20 under, or contrary to similar prohibitory provisions of
21 such prior Acts for a registration thereunder, or if the
22 registered mark is being used by, or with the permis-
23 sion of, the registrant so as to misrepresent the source
24 of the goods or services on or in connection with which
25 the mark is used. If the registered mark becomes the

1 generic name for less than all of the goods or services
2 for which it is registered, a petition to cancel the regis-
3 tration for only those goods or services may be filed. A
4 registered mark shall not be deemed to be the generic
5 name of goods or services solely because such mark is
6 also used as a name of or to identify a unique product
7 or service. The primary significance of the registered
8 mark to the relevant public rather than purchaser moti-
9 vation shall be the test for determining whether the
10 registered mark has become the generic name of goods
11 or services on or in connection with which it has been
12 used; or”.

13 SEC. 16. Section 15(4) of the Trademark Act of 1946
14 (15 U.S.C. 1065(4)) is amended by striking out “the common
15 descriptive name of any article or substance, patented or oth-
16 erwise” and inserting in lieu thereof “the generic name for
17 the goods or services or a portion thereof, for which it is
18 registered”.

19 SEC. 17. Section 16 of the Trademark Act of 1946 (15
20 U.S.C. 1066) is amended by striking out “applied to the
21 goods or when used in connection with the services” and
22 inserting in lieu thereof “used on or in connection with the
23 goods or services”.

24 SEC. 18. Section 18 of the Trademark Act of 1946 (15
25 U.S.C. 1068) is amended by—

1 (1) striking out “or restrict” and inserting in lieu
2 thereof “the registration, in whole or in part, may
3 modify the application or registration by limiting the
4 goods or services specified therein, may otherwise re-
5 strict or rectify with respect to the register”;

6 (2) striking out “or” before “may refuse”; and

7 (3) adding at the end thereof the following:
8 “However, no final judgment shall be entered in favor
9 of an applicant under section 1(b) prior to the mark
10 being registered, if such applicant cannot prevail with-
11 out establishing constructive use pursuant to section
12 7(c).”.

13 SEC. 19. Section 19 of the Trademark Act of 1946 (15
14 U.S.C. 1069) is amended by striking out the second sentence.

15 SEC. 20. Section 21 of the Trademark Act of 1946 (15
16 U.S.C. 1071) is amended—

17 (1) in subsection (a), by striking out “section
18 21(b)” each place it appears and inserting in lieu there-
19 of “subsection (b)”;

20 (2) in subsection (a), by striking out “section
21 21(a)(2) hereof” and inserting in lieu thereof “para-
22 graph (2) of this subsection”;

23 (3) in subsection (a)(4), by adding at the end
24 thereof the following: “However, no final judgment
25 shall be entered in favor of an applicant under section

1 1(b) prior to the mark being registered, if such appli-
2 cant cannot prevail without establishing constructive
3 use pursuant to section 7(c).”.

4 (4) in subsection (b), by striking out “section
5 21(a)” each place it appears and inserting in lieu there-
6 of “subsection (a)”;

7 (5) in subsection (b)(1), by adding at the end
8 thereof the following: “However, no final judgment
9 shall be entered in favor of an applicant under section
10 1(b) prior to the mark being registered, if such appli-
11 cant cannot prevail without establishing constructive
12 use pursuant to section 7(c).”.

13 (6) in subsection (b)(3), by amending the first sen-
14 tence of such paragraph to read as follows:

15 “(3) In any case where there is no adverse party, a copy
16 of the complaint shall be served on the Commissioner, and,
17 unless the court finds the expenses to be unreasonable, all the
18 expenses of the proceeding shall be paid by the party bring-
19 ing the case, whether the final decision is in favor of such
20 party or not.”.

21 SEC. 21. Section 23 of the Trademark Act of 1946 (15
22 U.S.C. 1091) is amended by—

23 (1) inserting “(a)” before “In addition” in the first
24 paragraph;

1 (2) inserting “(b)” before “Upon the” in the
2 second paragraph;

3 (3) inserting “(c)” before “For the purposes” in
4 the third paragraph;

5 (4) striking out “paragraphs (a),” in subsection
6 (a), as designated herein, and inserting in lieu thereof
7 “subsections (a),”;

8 (5) striking out “have been in lawful use in com-
9 merce by the proprietor thereof, upon” in subsection
10 (a), as designated herein, and inserting in lieu thereof
11 “are in use in commerce by the owner thereof, on”;

12 (6) striking out “for the year preceding the filing
13 of the application” in subsection (a), as designated
14 herein;

15 (7) inserting before “section 1” in subsection (a),
16 as designated herein, the following: “subsections (a)
17 and (d) of”;

18 (8) striking out “fee herein provided” in subsec-
19 tion (b), as designated herein, and inserting in lieu
20 thereof “prescribed fee”; and

21 (9) striking out the last paragraph.

22 SEC. 22. Section 24 of the Trademark Act of 1946 (15
23 U.S.C. 1092) is amended by—

24 (1) striking out “verified” in the second sentence;

1 (2) striking out “was not entitled to register the
2 mark at the time of his application for registration
3 thereof,” and inserting in lieu thereof “is not entitled
4 to registration,”;

5 (3) striking out “is not used by the registrant or”;
6 and

7 (4) adding at the end thereof the following:
8 “However, no final judgment shall be entered in favor
9 of an applicant under section 1(b) prior to the mark
10 being registered, if such applicant cannot prevail with-
11 out establishing constructive use pursuant to section
12 7(c).”.

13 SEC. 23. Section 26 of the Trademark Act of 1946 (15
14 U.S.C. 1094) is amended by—

15 (1) inserting “1(b),” after “sections”; and

16 (2) inserting “7(c),” after “7(b)”.

17 SEC. 24. Section 27 of the Trademark Act of 1946 (15
18 U.S.C. 1095) is amended by adding at the end thereof the
19 following: “The filing of an application to register a mark on
20 the supplemental register, or registration of a mark thereon,
21 shall not constitute an admission that the mark is not eligible
22 for registration on the principal register established herein.”.

23 SEC. 25. Section 29 of the Trademark Act of 1946 (15
24 U.S.C. 1111) is amended by striking out “as used”.

1 SEC. 26. Section 30 of the Trademark Act of 1946 (15
2 U.S.C. 1112) is amended by—

3 (1) inserting “or registrant’s” after “applicant’s”;

4 (2) striking out “may file an application” and in-
5 serting in lieu thereof “may apply”;

6 (3) striking out “goods and services upon or in
7 connection with which he is actually using the mark:”
8 and inserting in lieu thereof “goods or services on or in
9 connection with which he is using or he has a bona
10 fide intention to use the mark in commerce.”; and

11 (4) by amending the proviso to read: “*Provided,*
12 That when the Commissioner by regulation permits the
13 filing of an application for the registration of a mark
14 for goods or services which fall within a plurality of
15 classes, a fee equaling the sum of the fees for filing an
16 application in each class shall be paid, and the Com-
17 missioner may issue a single certificate of registration
18 for such mark.”.

19 SEC. 27. Section 31 of the Trademark Act of 1946 (15
20 U.S.C. 1113) is amended by—

21 (1) striking out “SECTION 31. FEES”; and

22 (2) inserting “SEC. 31.” before “(a)”.

23 SEC. 28. Section 32(2) of the Trademark Act of 1946
24 (15 U.S.C. 1114(2)) is amended by striking out “injunction”
25 and inserting in lieu thereof “injunctive”.

1 SEC. 29. Section 33(a) of the Trademark Act of 1946
2 (15 U.S.C. 1115(a)) is amended by—

3 (1) inserting “the validity of the registered mark
4 and of the registration thereof, of the registrant’s own-
5 ership of the mark, and of the” after “prima facie evi-
6 dence of”;

7 (2) inserting “or in connection with” after “in
8 commerce on”;

9 (3) striking out “an opposing party” and inserting
10 in lieu thereof “another person”; and

11 (4) inserting “, including those set forth in subsec-
12 tion (b),” after “or defect”.

13 SEC. 30. Section 33(b) of the Trademark Act of 1946
14 (15 U.S.C. 1115(b)) is amended by—

15 (1) amending the matter in subsection (b) before
16 paragraph (1) to read as follows:

17 “(b) To the extent that the right to use the registered
18 mark has become incontestable under section 15, the regis-
19 tration shall be conclusive evidence of the validity of the reg-
20 istered mark and of the registration thereof, of the regis-
21 trant’s ownership of the mark, and of the registrant’s exclu-
22 sive right to use the registered mark in commerce. Such con-
23 clusive evidence shall relate to the exclusive right to use the
24 mark on or in connection with the goods or services specified
25 in the affidavit filed under the provisions of section 15 or, if

1 fewer in number, the renewal application filed under the pro-
2 visions of section 9 hereof, subject to any conditions or limita-
3 tions in the registration or in such affidavit or renewal appli-
4 cation. Such conclusive evidence of the right to use the regis-
5 tered mark shall be subject to proof of infringement as
6 defined in section 32, and shall be subject to the following
7 defenses or defects:";

8 (2) striking out "services in" in paragraph (3) and
9 inserting in lieu thereof "services on or in";

10 (3) striking out "trade or service" in paragraph
11 (4);

12 (4) striking out "to users" in paragraph (4);

13 (5) striking out "registration of the mark under
14 this Act or" in paragraph (5) and inserting in lieu
15 thereof "(A) the date of constructive use of the mark
16 established pursuant to section 7(c), or (B) the registra-
17 tion of the mark under this Act if the application for
18 registration is filed prior to the effective date of the
19 Trademark Law Revision Act of 1988, or (C)"; and

20 (6) adding at the end of the subsection, the
21 following:

22 "In addition, equitable principles, including laches, estoppel,
23 and acquiescence, where applicable, may be considered and
24 applied."

1 SEC. 31. Section 34 of the Trademark Act of 1946 (15
2 U.S.C. 1116) is amended—

3 (1) in subsection (a) by—

4 (A) striking out “of the registrant of a mark
5 registered in the Patent and Trademark Office”
6 and inserting in lieu thereof “protected under this
7 Act”; and

8 (B) adding at the end thereof the following:
9 “However, no final judgment shall be entered in favor of an
10 applicant under section 1(b) prior to the mark being regis-
11 tered, if such applicant cannot prevail without establishing
12 constructive use pursuant to section 7(c).”; and

13 (2) in subsection (c) by—

14 (A) striking out “proceeding arising” and in-
15 sserting in lieu thereof “proceeding involving a
16 mark registered”; and

17 (B) striking out “decision is rendered, appeal
18 taken or a decree issued” and inserting in lieu
19 thereof “judgment is entered or an appeal is
20 taken”.

21 SEC. 32. Section 35(a) of the Trademark Act of 1946
22 (15 U.S.C. 1117(a)) is amended by striking out “of the regis-
23 trant of a mark registered in the Patent and Trademark
24 Office” and inserting in lieu thereof “protected under this
25 Act”.

1 SEC. 33. Section 36 of the Trademark Act of 1946 (15
2 U.S.C. 1118) is amended by—

3 (1) striking out “of the registrant of a mark regis-
4 tered in the Patent and Trademark Office” and insert-
5 ing in lieu thereof “protected under this Act”; and

6 (2) striking out “registered mark” and inserting in
7 lieu thereof “mark”.

8 SEC. 34. (a) Section 39 of the Trademark Act of 1946
9 (15 U.S.C. 1121) is redesignated as subsection (a) of section
10 39 by inserting “(a)” after “SEC. 39.”.

11 (b) Section 39a of the Trademark Act of 1946 (15
12 U.S.C. 1121a) is redesignated as subsection (b) of section 39
13 by striking out “SEC. 39a.” and inserting in lieu thereof
14 “(b)”.

15 (c) Subsection (b) of section 39, as redesignated herein,
16 is amended by striking out “servicemarks” each place it ap-
17 pears and inserting in lieu thereof “service marks”.

18 SEC. 35. Section 43(a) of the Trademark Act of 1946
19 (15 U.S.C. 1125(a)) is amended to read as follows:

20 “(a)(1) Any person who uses in commerce on or in con-
21 nection with any goods or services, or any container for
22 goods, any word, term, name, symbol, or device or any com-
23 bination thereof, or who shall engage in any act, trade prac-
24 tice, or course of conduct in commerce, which—

1 “(A) is likely to cause confusion, or to cause mis-
2 take, or to deceive as to the affiliation, connection, or
3 association of such person with another, or to the
4 origin, sponsorship, or approval of his goods, services,
5 or commercial activities by another; or

6 “(B) by use of a false designation of origin or of a
7 false or misleading description or representation, mis-
8 represents the nature, characteristics, or qualities of his
9 or another person’s goods, services, commercial activi-
10 ties or their geographic origin;

11 shall be liable in a civil action by any person who believes
12 that he is or is likely to be damaged by such action.

13 “(2) The relief provided in this subsection shall be in
14 addition to and shall not affect those remedies otherwise
15 available under this Act, under common law, or pursuant to
16 any statute of the United States: *Provided*, That nothing in
17 this subsection shall be construed so as to preempt the
18 jurisdiction of any State to grant relief in cases of unfair
19 competition.”.

20 SEC. 36. Section 43 of the Trademark Act of 1946 (15
21 U.S.C. 1125) is amended by adding at the end thereof the
22 following new subsection:

23 “(c)(1) The owner of a famous mark registered under
24 the Act of March 3, 1881, or the Act of February 20, 1905,
25 or on the principal register established herein shall be enti-

1 tled, subject to the principles of equity, taking into account,
2 among other things, the good faith use of an individual's
3 name or an indication of geographic origin, to an injunction
4 against another person's use in commerce of a mark, com-
5 mencing after the registrant's mark becomes famous, which
6 causes dilution of the distinctive quality of the registrant's
7 mark, and to obtain such other relief as is provided in this
8 subsection. In determining whether a mark is famous and has
9 distinctive quality, a court shall weigh the following and
10 other relevant factors:

11 “(A) whether the mark is inherently distinctive or
12 has become distinctive through substantially exclusive
13 and continuous use;

14 “(B) whether the duration and extent of use of
15 the mark are substantial;

16 “(C) whether the duration and extent of advertis-
17 ing and publicity of the mark are substantial;

18 “(D) whether the geographical extent of the trad-
19 ing area in which the mark is used is substantial;

20 “(E) whether the mark has substantial renown in
21 its and the other person's trading area and channels of
22 trade; and

23 “(F) whether the same or similar marks are being
24 used substantially by third parties.

1 “(2) The registrant shall be entitled only to injunctive
2 relief in an action brought under this subsection, unless the
3 subsequent user willfully intended to trade on the registrant’s
4 reputation or to cause dilution of the registrant’s mark. If
5 such willful intent is proven, the registrant shall also be enti-
6 tled to the remedies set forth in sections 35(a) and 36 hereof,
7 subject to the discretion of the court and the principles of
8 equity.

9 “(3) Ownership of a valid registration under the Act of
10 1881 or the Act of 1905 or on the principal register estab-
11 lished herein shall be a complete bar to an action brought by
12 another person, under the common law or statute of a State,
13 seeking to prevent dilution of the distinctiveness of a mark,
14 label, or form of advertisement.”.

15 SEC. 37. Section 44 of the Trademark Act of 1946 (15
16 U.S.C. 1126) is amended—

17 (1) by striking out “fees herein prescribed” in sub-
18 section (a) and inserting in lieu thereof “fees required
19 herein”;

20 (2) by striking out “paragraph (b)” each place it
21 appears and inserting in lieu thereof “subsection (b)”;

22 (3) in subsection (d) by striking out “sections 1, 2,
23 3, 4, or 23” and inserting in lieu thereof “section 1, 3,
24 4, 23, or 44(e)”;

1 (4) in subsection (d)(2) by striking out “but use in
2 commerce need not be alleged” and inserting in lieu
3 thereof “including a statement that the applicant has a
4 bona fide intention to use the mark in commerce”;

5 (5) in subsection (d)(3), by striking out “foreing”
6 and inserting in lieu thereof “foreign”;

7 (6) in subsection (e) by adding at the end thereof
8 the following: “The application must state the appli-
9 cant’s bona fide intention to use the mark in com-
10 merce, but use in commerce shall not be required prior
11 to registration.”; and

12 (7) in subsection (f), by striking out “paragraphs
13 (c), (d),” and inserting in lieu thereof “subsections (c),
14 (d),”.

15 SEC. 38. Section 45 of the Trademark Act of 1946 (15
16 U.S.C. 1127) is amended by—

17 (1) amending the paragraph defining “related
18 company” to read as follows:

19 “The term ‘related company’ means any person
20 whose use of a mark is controlled by the owner of the
21 mark in respect to the nature and quality of the goods
22 or services on or in connection with which the mark is
23 used.”;

24 (2) amending the paragraph defining “trade
25 name” and “commercial name” to read as follows:

1 “The terms ‘trade name’ and ‘commercial name’
2 mean any name used by a person to identify his busi-
3 ness or vocation.”;

4 (3) amending the paragraph defining “trademark”
5 to read as follows:

6 “The term ‘trademark’ means any word, name,
7 symbol, or device or any combination thereof used by a
8 person, or which a person has a bona fide intention to
9 use in commerce and for which he applies for registra-
10 tion on the principal register established by this Act, to
11 identify and distinguish his goods, including a unique
12 product, from those of others and to indicate the source
13 of the goods, even if that source is unknown.”;

14 (4) amending the paragraph defining “service
15 mark” to read as follows:

16 “The term ‘service mark’ means any word, name,
17 symbol, or device or any combination thereof used by a
18 person, or which a person has a bona fide intention to
19 use in commerce and for which he applies for registra-
20 tion on the principal register established by this Act, to
21 identify and distinguish the services of one person, in-
22 cluding a unique service, from those of others and to
23 indicate the source of the services, even if that source
24 is unknown. Titles, character names, and other distinc-
25 tive features of radio or television programs may be

1 registered as service marks notwithstanding that they,
2 or the programs, may advertise the goods of the
3 sponsor.”;

4 (5) amending the paragraph defining “certification
5 mark” to read as follows:

6 “The term ‘certification mark’ means any word,
7 name, symbol, or device or any combination thereof
8 used by a person other than its owner, or for which
9 there is a bona fide intention for such use in commerce
10 through the filing of an application for registration on
11 the principal register established by this Act, to certify
12 regional or other origin, material, mode of manufac-
13 ture, quality, accuracy, or other characteristics of such
14 person’s goods or services or that the work or labor on
15 the goods or services was performed by members of a
16 union or other organization.”;

17 (6) amending the paragraph defining “collective
18 mark” to read as follows:

19 “The term ‘collective mark’ means a trademark
20 or service mark used by the members of a cooperative,
21 an association, or other collective group or organiza-
22 tion, or which such entity has a bona fide intention to
23 use in commerce and for which it applies for registra-
24 tion on the principal register established by this Act,

1 and includes marks indicating membership in a union,
2 an association, or other organization.”;

3 (7) amending the paragraph defining “mark” to
4 read as follows:

5 “The term ‘mark’ includes any trademark, service
6 mark, collective mark, or certification mark.”;

7 (8) amending the matter which appears between
8 the paragraph defining “mark”, and the paragraph de-
9 fining “colorable imitation” to read as follows:

10 “The term ‘use in commerce’ means use of a
11 mark in the ordinary course of trade, commensurate
12 with the circumstances, and not made merely to re-
13 serve a right in a mark. For purposes of this Act, a
14 mark shall be deemed to be in use in commerce (1) on
15 goods when it is placed in any manner on the goods or
16 their containers or the displays associated therewith or
17 on the tags or labels affixed thereto, or if the nature of
18 the goods makes such placement impracticable then on
19 documents associated with the goods or their sale, and
20 the goods are sold or transported in commerce, and (2)
21 on services when it is used or displayed in the sale or
22 advertising of services and the services are rendered in
23 commerce, or the services are rendered in more than
24 one State or in this and a foreign country and the

1 person rendering the services is engaged in commerce
2 in connection therewith.

3 “A mark shall be deemed to be ‘abandoned’—

4 “(1) when its use has been discontinued with
5 intent not to resume. Intent not to resume may be
6 inferred from circumstances. Nonuse for two con-
7 secutive years shall be prima facie evidence of
8 abandonment. ‘Use’ means use made in the ordi-
9 nary course of trade, commensurate with the cir-
10 cumstances, and not made merely to reserve a
11 right in a mark; or

12 “(2) when any course of conduct of the
13 owner, including acts of omission as well as com-
14 mission, causes the mark to become the generic
15 name for the goods or services or otherwise to
16 lose its significance as a mark. Purchaser motiva-
17 tion shall not be a test for determining abandon-
18 ment under this subparagraph.

19 “The term ‘dilution’ means the material reduction
20 of the distinctive quality of a famous mark through use
21 of the mark by another person, regardless of the pres-
22 ence or absence of (1) competition between the users of
23 the mark, or (2) likelihood of confusion, mistake, or de-
24 ception arising from that use.”.

1 SEC. 39. The Trademark Act of 1946 is amended by
2 adding at the end thereof the following:

3 “SEC. 51. All certificates of registration based upon ap-
4 plications for registration pending in the Patent and Trade-
5 mark Office on the effective date of the Trademark Law Re-
6 vision Act of 1988 shall remain in force for a period of 10
7 years.”.

8 SEC. 40. This Act and the amendments made by this
9 Act shall become effective on the date one year after the date
10 of enactment of this Act.

 Passed the Senate May 13 (legislative day, May 9),
1988.

Attest:

WALTER J. STEWART,

Secretary.